outflows on account of dividend payments are balanced by export earnings over a period of 7 years from commencement of production.

(b) to (e) Information is being collected and will be laid on the Table of the House.

Export commitment of foreign companies

1089. SHRI DIPEN GHOSH: Will the Minister of FINANCE be pleased to state:

(a) whether all foreign companies will be required to export to cover their foreign remittances as per the new policy on foreign investment;

(b) if so, whether this will also apply to the existing foreign investors;

(c) what is the reason for requiring all companies to compulsory state in their balance sheet the amount of foreign exchange spent and earned; and

(d) what action is being taken or propose to be taken on those companies which are the losers in foreign exchange?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Under the New Industrial Policy, companies receiving approval for foreign equity are required to balance the dividend payments by export earnings over a period of time. The condition of dividend balancing is also required for all existing companies receiving approval for enhancement of foreign equity upto 51 per cent.

(c) This has been done with a view to incorporate the export performance of the companies in the Directors' Report.

(d) Repatriation of profits/dividend is allowed without restrictions. However, under the new policy, payments of dividend will be monitored through the Reserve Bank of India so as to ensure balancing by export earnings in cases of fresh foreign investment approvals and enhancement of foreign equity.

Cut in aid given to India

1090. SHRI PRAMOD MAHAJAN: Will the Minister of FINANCE be pleased to state:

(a) what are the names of the countries that have decided to cut the aid given to India; and

(b) what are the details including the steps taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) The substantial part of foreign aid is received from Members of the Aid India Consortium. In its recent Meeting held on 19-20 September, 1991 the Members of the Consortium have pledged aid assistance of US $6.7 billion which represents a 6 per cent increase over last year's level. No country has officially communicated any decision to cut aid in terms of these pledges.

(b) Does not arise.

Overhauling of Indian banking operations abroad

1091. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to overhaul the Indian banking propose abroad, drastically;

(b) whether Government also propose to merge all the Indian Banks abroad;

(c) if so, what are the details thereof; and

(d) what is the extent to which the merger of Indian banks abroad will be more useful?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (d) with a view to improve the working of Indian banks abroad, Government have accorded in principle approval for setting up a new International Bank to take over the existing overseas net-work of the nationalised